



FACTSHEET: INTERNATIONAL STUDENTS IN CANADA

September 2021

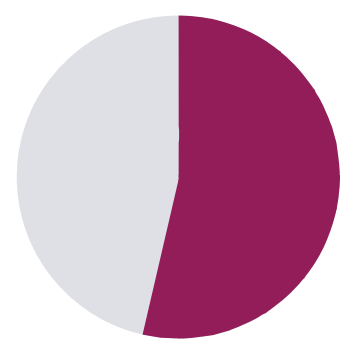
International Students in Canada

International students represent a significant population of substantial post-secondary students in Canadian universities and colleges. During the 2016-2017 academic year, international students made up 13.6% of university students and 9% of college students in Ontario¹. Ontario is the most popular choice for international students, hosting 43% of all international students in the country². From 2000 to 2016, the international student population in Ontario increased by 265%, higher than the combined growth rate in England, Australia, and the US (239%)³.

This colossal increase in the number of international student enrollment over the years can be attributed to the decisions made by the Federal government in 2014. The Federal government had aimed to double international student enrollment in Canada to approximately 450,000 students. During that time, the Government of Ontario followed suit and prioritized international students as a key group of potential immigrants to build an educated and skilled population.

International students have made remarkable contributions to the Canadian economy and have been the drivers of social change. The economic activities of international students made a \$16.2 billion and \$19.7 billion contribution to Canada's GDP in 2017 and 2018, respectively⁴. In 2018, International students in Ontario made the largest contribution to GDP with 55.3% of the total.⁵. In addition to that, international students make educational institutions and the workforce more diverse and add valuable contributions to Canadian society.

During the COVID-19 pandemic, international students have and continue to help others 'stay at home'. They work in essential healthcare services, provide critical infrastructure, and supply food and other essential goods



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to our homes. The contributions of international students are so vital to Canada's post-pandemic recovery that in January 2021, the Federal government extended Post Graduate Work Permits beyond the previous limit of 2 years⁶. The Federal Government also launched a one-time pathway to permanent residency program for over \$40,000 International graduates⁷. Despite their vital role in Canada, international students continue to struggle with barriers like the rising tuition fees, lack of universal health care and meeting the stringent demands to immigrate to Canada.

Tuition Fees

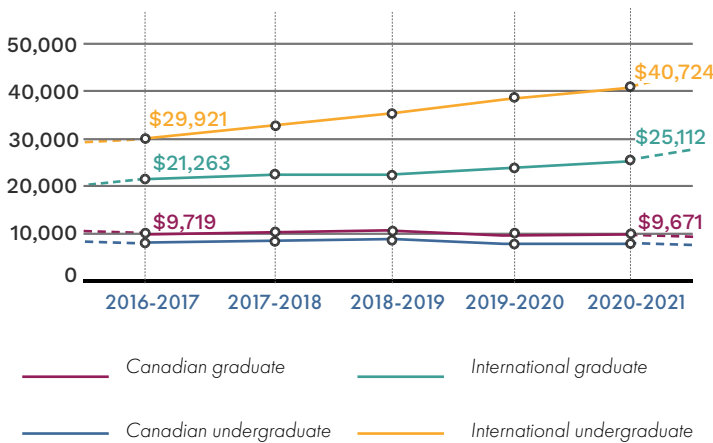
Ontario, the province with the lowest per student public funding for post secondary education and the highest enrollment rate of international students, has a problematic relationship with rising tuition costs and an unfair reliance on international student tuition to keep operations running. As per the Federal Government's International Education Strategy, international students in Canada spent approximately \$21.6 billion on tuition and other expenses.

Average undergraduate tuition fees for International students **\$32,019**

In fact, the strategy notes, “educational expenditures by International students have a greater impact on Canada’s economy than exports of auto parts, lumber or aircraft”.⁸

With public funding declining with each passing year, many universities and colleges have become increasingly reliant on international students as a readily available source of funding. Because international student tuition is unregulated, the average undergraduate tuition fees have increased to more than four and a half times compared to that of their domestic classmates. In 2020-2021 academic year, the average undergraduate tuition fees for international students were reported to be \$32,019.⁹

Statistics Canada. Table 37-10-0045-01 Canadian and international tuition fees by level of study

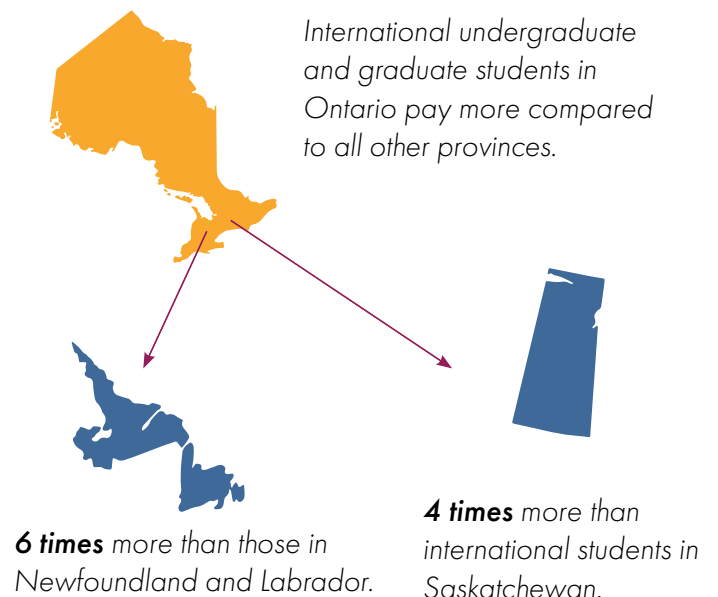


This heavy dependency on international students, beyond being unethical, has proved to be a less resilient and highly vulnerable business model. When faced with declining international student enrollment numbers attributed to the border restrictions during the COVID-19 Pandemic many institutions have and continued to experience significant revenue deficits, while others were forced to make unusual but imperative decisions like declaring insolvency. A glaring example of this flawed ‘business model’ is the case of Laurentian University. Faced with years of declining enrollment numbers and poor financial decisions, Laurentian was forced into bankruptcy, and had to cut funding for over 100 faculty members and dozens of courses.¹⁰

The Problem with Differential Fees

The difference in tuition fees for domestic and international students is referred to as differential fees. Increases in tuition fees for domestic and international students are a direct result of the progressive defunding of public post-secondary education by the provincial government. This defunding and the lack of regulation for international students fees, has forced institutions to turn to differential fees as a strategy to generate revenue. International students are seen as a guaranteed and low risk revenue source for institutions and government because they are perceived as having less direct political influence in Canada.

High tuition fees have made post-secondary education inaccessible for many international students who want to study in Ontario, particularly those from low and middle-income families. In many cases, international tuition fees alone are higher than the average annual wage of families in some countries. Continued tuition fee increases have created a system where only the wealthiest can afford to pay the high tuition fees and low and middle-income students are forced into debt to pursue post-secondary education in the province. International undergraduate and graduate students in Ontario pay more compared to all other provinces - almost four times more than international students in Saskatchewan and six times more than those in Newfoundland and Labrador. Ontario needs to change this trend if they want to continue to be a desirable destination for international students.



In addition to the high tuition fees, international students are further financially impacted by the federal restrictions on working while studying in Canada. Although the Canadian Federation of Students successfully lobbied for the removal of off-campus work restrictions in 2014, international students still struggle with the limit of working hours (temporarily removed during COVID) that makes them more vulnerable to precarious working conditions. Often this working hour limit puts international students in the impossible position of having to choose between following the rules or working more hours to cover their basic needs and risk deportation.

Health Care

In 1994, the Ontario government eliminated the coverage of international students under the Ontario Health Insurance Program (OHIP). Now international students studying at universities must enroll in a private health insurance program – the University Health Insurance Plan (UHIP) – which costs between \$600.00 and \$2,000 per year. This for-profit health insurance plan provides limited health coverage that is not universally accepted by physicians, hospitals and clinics in Ontario. International college students are also required to pay for a mandatory private health insurance plan - which is not universally accepted by health care providers. Currently all colleges and private universities use other private health plans determined by the institution, and they do not disclose these fees publicly. Having to pay for health coverage on top of the high tuition fees, makes Ontario less attractive for international students.

Giving access to health services to international students is possible. Other provinces like British Columbia, Manitoba, Prince Edward Island, Nova Scotia and New Brunswick currently cover international students under their provincial health insurance programs. Ensuring international students have free access to health services is not only morally right, but financially too.

Many international students end up in the emergency room because they cannot access preventative care. Now more than ever, Ontario's health system cannot afford to have a high volume of preventative patients in emergency rooms.

Towards Full and Equal Access for International Students

Restoring public funding for post-secondary education in Ontario would reduce the need for colleges and universities to rely on international tuition fees to continue to function financially. Eliminating the differential tuition fees would improve access and attract a greater diversity of international students to Ontario. Removing other barriers faced by international students such as removing work hour limits and providing free access to health care would make Ontario an excellent option for international students. Ontario needs international students to continue to grow culturally, economically and to increase its workforce diversity. The Federation demands on fairness for international students should be a high priority for the provincial government, post-secondary institutions, domestic students and community at-large.

¹ Statistics Canada. 2018. Table 37-10-00118-01. "Postsecondary enrollment, by registration status, institution type, status of student in Canada and sex".

² Elena Neiterman. 2017. "'We want to be seen as partners, not vultures of the world:' perspectives of Canadian stakeholders on migration of International students studying in health professions in Canada".

³Sá, C. & Sabzalieva, E. (2016). "Public Policy and the Attraction of International Students".

⁴ Statistics Canada (2020). Economic impact of international education in Canada.

⁵ Statistics Canada (2020). Economic impact of international education in Canada.

⁶ IRCC. (2021). The Government of Canada announces new policy to help former international students live in, work in and continue contributing to Canada.

⁷ IRCC. (2021). Temporary public policies: Temporary resident to permanent resident pathway – About the program.

⁸ Global Affairs Canada. Building on Success: International Education Strategy 2019-2024, 2019. <https://www.international.gc.ca/education/assets/pdfs/ies-sei/Building-on-Success-International-Education-Strategy-2019-2024.pdf>.

⁹ Statistics Canada. Table 37-10-0045-01 Canadian and International Tuition Fees by Level of Study.

¹⁰ CBC News. Kate Rutherford. (2021). Laurentian University gets judge's approval to stay open under creditor protection as it restructures.

The University Health Insurance Plan (UHIP) costs between

\$600-\$2,000 per year!